

STATE FIRE AND TORNADO FUND
INVESTMENT PERFORMANCE REPORT AS OF SEPTEMBER 30, 2003

	September-03					August-03				July-03				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation Actual	Policy	Quarter Net ROR	Month Net ROR	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Month Net ROR	Net	Net	6/30/2003 Net	6/30/2003 Net
LARGE CAP DOMESTIC EQUITY																	
<i>Structured Growth</i>																	
Los Angeles Capital	436,535	2.3%	2.3%	N/A	-1.68%	435,310	2.3%	2.3%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
AllianceBernstein	-	0.0%	0.0%	N/A	N/A	0	0.0%	0.0%	N/A	416,886	2.3%	2.3%	3.55%	N/A	-1.88%	-21.24%	-6.07%
Total Structured Growth	436,535	2.3%	2.3%	4.99%	-1.68%	435,311	2.3%	2.3%	3.13%	416,886	2.3%	2.3%	3.55%	4.99%	-1.88%	-21.24%	-6.07%
Russell 1000 Growth				3.92%	-1.07%				2.49%				2.49%	3.92%	2.94%	-21.54%	-5.03%
<i>Structured Value</i>																	
LSV	416,677	2.2%	2.3%	3.75%	-1.04%	412,037	2.2%	2.3%	3.27%	394,356	2.2%	2.3%	1.52%	3.75%	-2.25%	8.84%	3.73%
Russell 1000 Value				2.06%	-0.98%				1.56%				1.49%	2.06%	-1.02%	-0.19%	1.05%
<i>S&P 500 Index</i>																	
State Street	1,922,673	10.2%	10.5%	2.64%	-1.07%	1,960,417	10.5%	10.5%	1.95%	1,899,174	10.6%	10.5%	1.77%	2.64%	0.23%	-11.28%	-1.69%
S&P 500				2.64%	-1.06%				1.95%				1.76%	2.64%	0.25%	-11.20%	-1.62%
TOTAL LARGE CAP DOMESTIC EQUITY	2,775,884	14.7%	15.0%	3.15%	-1.16%	2,807,765	15.1%	15.0%	2.32%	3,127,301	17.4%	15.0%	2.00%	3.15%	-0.48%	-9.33%	-1.90%
S&P 500				2.64%	-1.06%				1.95%				1.76%	2.64%	0.25%	-11.20%	-1.62%
SMALL CAP DOMESTIC EQUITY																	
<i>Manager-of-Managers</i>																	
SEI	945,617	5.0%	5.0%	9.48%	-1.58%	960,525	5.2%	5.0%	4.83%	937,333	5.2%	5.0%	6.11%	9.48%	0.09%	N/A	N/A
Russell 2000 + 200bp				9.60%	-1.68%				4.75%				6.43%	9.60%	0.36%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	945,617	5.0%	5.0%	9.48%	-1.58%	960,525	5.2%	5.0%	4.83%	937,333	5.2%	5.0%	6.11%	9.48%	0.09%	-3.49%	1.64%
Russell 2000				9.07%	-1.85%				4.58%				6.26%	9.07%	-1.63%	-3.30%	0.97%
CONVERTIBLES																	
TCW	1,851,333	9.8%	10.0%	1.85%	0.22%	1,846,700	9.9%	10.0%	0.89%	1,784,614	9.9%	10.0%	0.74%	1.85%	10.23%	-9.51%	3.90%
First Boston Convertible Index				2.67%	0.56%				1.64%				0.45%	2.67%	15.46%	-3.77%	5.29%
INTERNATIONAL EQUITY																	
<i>Large Cap - Active</i>																	
Capital Guardian	1,508,615	8.0%	8.0%	8.14%	-0.27%	1,525,407	8.2%	8.0%	3.44%	1,486,746	8.3%	8.0%	4.82%	8.14%	-10.31%	-15.85%	0.02%
MSCI EAFE - 50% Hedged				6.58%	0.41%				2.77%				3.28%	6.58%	-11.24%	-15.51%	-5.33%
<i>Small Cap - Value</i>																	
Lazard	204,763	1.1%	1.0%	9.92%	5.61%	187,389	1.0%	1.0%	3.09%	183,360	1.0%	1.0%	0.96%	9.92%	N/A	N/A	N/A
Citigroup Broad Market Index < \$2BN				15.95%	5.70%				6.30%				3.20%	15.95%	N/A	N/A	N/A
<i>Small Cap - Growth</i>																	
Vanguard	198,660	1.1%	1.0%	14.95%	5.41%	182,146	1.0%	1.0%	4.08%	176,536	1.0%	1.0%	4.78%	14.95%	N/A	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				15.95%	5.70%				6.30%				3.20%	15.95%	N/A	N/A	N/A
TOTAL INTERNATIONAL EQUITY	1,912,038	10.1%	10.0%	8.97%	0.86%	1,894,942	10.2%	10.0%	3.48%	1,846,642	10.3%	10.0%	4.40%	8.97%	-9.20%	-15.51%	0.27%
MSCI EAFE - 50% Hedged				6.58%	0.41%				2.77%				3.28%	6.58%	-11.24%	-15.51%	-5.33%
DOMESTIC FIXED INCOME																	
<i>Core Bond</i>																	
Western Asset	4,862,313	25.8%	25.0%	-0.16%	3.38%	4,660,567	25.1%	25.0%	1.31%	4,277,032	23.8%	25.0%	-4.69%	-0.16%	12.77%	11.23%	8.12%
Lehman Aggregate				-0.14%	2.65%				0.66%				-3.36%	-0.14%	10.39%	10.07%	7.54%
<i>Index</i>																	
Bank of ND	2,659,877	14.1%	15.0%	-0.46%	3.08%	2,569,241	13.8%	15.0%	0.60%	2,373,718	13.2%	15.0%	-4.00%	-0.46%	13.26%	10.87%	7.78%
Lehman Gov/Credit				-0.50%	3.17%				0.66%				-4.19%	-0.50%	13.14%	10.82%	7.83%
<i>BBB Average Quality</i>																	
Strong	2,038,313	10.8%	10.0%	0.02%	3.86%	2,014,531	10.8%	10.0%	1.39%	1,847,696	10.3%	10.0%	-5.01%	0.02%	17.91%	N/A	N/A
Lehman US Credit BAA				0.27%	3.97%				0.98%				-4.49%	0.27%	18.33%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	9,560,503	50.6%	50.0%	-0.21%	3.40%	9,244,339	49.7%	50.0%	1.13%	8,498,446	47.3%	50.0%	-4.57%	-0.21%	13.18%	10.80%	7.81%
Lehman Gov/Credit				-0.50%	3.17%				0.66%				-4.19%	-0.50%	13.14%	10.82%	7.83%
CASH EQUIVALENTS																	
Bank of ND	1,834,125	9.7%	10.0%	0.30%	0.10%	1,832,363	9.9%	10.0%	0.10%	1,773,343	9.9%	10.0%	0.10%	0.30%	1.57%	3.26%	4.15%
90 Day T-Bill				0.25%	0.10%				0.08%				0.07%	0.25%	1.52%	3.33%	4.08%
TOTAL FIRE & TORNADO FUND	18,879,500	100.0%	100.0%	2.07%	1.55%	18,586,634	100.0%	100.0%	1.64%	17,967,679	100.0%	100.0%	-1.12%	2.07%	7.25%	1.67%	4.94%
POLICY TARGET BENCHMARK				1.46%	1.43%				1.24%				-1.20%	1.46%	7.25%	2.12%	4.52%

NOTE: Monthly returns and market values are preliminary and subject to change.